

# DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

## Office of Public and Indian Housing

### Housing Certificate Fund

#### SUMMARY OF RESOURCES

(Dollars in Thousands)

	Enacted/ Requested	Carryover	Supplemental/ Rescission	Total Resources	Obligations	Net Outlays
2023 Appropriation	-	82,524	-	82,524	75,411	24,364
2024 Annualized CR	-	7,113	-	7,113	5,924	67,000
2025 President's Budget	-	1,189	-	1,189	1,189	1,189
Change from 2024	-	(5,924)	-	(5,924)	(4,735)	(65,811)

#### PROGRAM PURPOSE

The Housing Certificate Fund (HCF) is best described as a composite account. Prior to 2005, it funded contracts that are now administered in the Tenant-Based Rental Assistance (TBRA) and Project-Based Rental Assistance (PBRA) programs. Beginning in 2005, the account stopped receiving annual appropriations, and the TBRA and PBRA accounts were established. In 1998, some smaller accounts (including Annual Contributions for Assisted Housing) were consumed by HCF, making it an even more eclectic mix.

- HCF continues to “hold” the account’s prior obligations for original term PBRA contracts that were funded in advance (i.e., long-term, up to 40 years). These funds continue to pay for contract expenses as they come due.
- As original contract terms draw to completion, annual renewals subsequently take place in the PBRA account, thus slowly depleting the inventory of projects and contracts in HCF, while increasing the number of projects in PBRA.
- Any undisbursed funds remaining on contracts at termination are recaptured and either cancelled or re-appropriated (depending on the source year). Eligible uses of recaptures include PBRA contract renewals, amendments, and contract administrators.

#### BUDGET OVERVIEW

The 2025 President’s Budget requests no funding for the Housing Certificate Fund. The Budget for HCF reflects the use of anticipated carryover and recaptures from previous years. Continuing appropriations language for HCF provides that recaptures from source years 1975 through 1987 will be cancelled and an amount of additional budget authority equal to the amount cancelled will be appropriated, and recaptures of contract authority originating in 1974 and prior will be cancelled.

HUD anticipates using residual funding from the HCF account to supplement appropriations in the PBRA account. Currently, HUD estimates 2024 Performance Based Contract Administrator (PBCA) operational needs will use approximately \$6 million of the available HCF balance. Recaptures in 2024 are projected to be available for PBCAs in the PBRA program in 2025. However, given the dwindling number of Section 8 contracts still operating under their original terms, the volume of HCF funds available to supplement 2025 PBRA appropriations is anticipated to be minimal.

**SOURCE OF FUNDS**

(Dollars in Thousands)

	Carryover	Recaptures	Rescinded	Appropriations	Total Resources	Obligations
2023	81,524	2,000	(1,000)	-	82,524	75,411
2024 (estimated)	7,113	-	(2,000)	2,000	7,113	5,924
2025 (estimated)	1,189	-	-	-	1,189	1,189

Note: Rescissions include all recaptured funds appropriated prior to 1987. An equivalent amount of the funds rescinded from source years 1974 to 1987 is re-appropriated to HUD.

**SUMMARY OF RESOURCES BY PROGRAM**

(Dollars in Thousands)

Budget Activity	2023 Budget Authority	2022 Carry over Into 2023	2023 Total Resources	2023 Obligations	2024 Annualized CR	2023 Carry over Into 2024	2024 Total Resources	2025 President's Budget
Contract Administrators	-	82,524	82,524	75,411	-	7,113	7,113	-
<b>Total</b>	-	<b>82,524</b>	<b>82,524</b>	<b>75,411</b>	-	<b>7,113</b>	<b>7,113</b>	-

**LEGISLATIVE PROPOSALS AND GENERAL PROVISIONS**

None.

**APPROPRIATIONS LANGUAGE**

The 2025 President's Budget includes the appropriations language listed below.

(INCLUDING CANCELLATIONS)

*Unobligated balances, including recaptures and carryover, remaining from funds appropriated to the Department of Housing and Urban Development under this heading, the heading "Annual Contributions for Assisted Housing" and the heading "Project-Based Rental Assistance", for fiscal year 2025 and prior years may be used for renewal of or amendments to section 8 project-based contracts and for performance-based contract administrators, notwithstanding the purposes for which such funds were appropriated: Provided, That any obligated balances of contract authority from fiscal year 1974 and prior fiscal years that have been terminated are hereby permanently cancelled: Provided further, That amounts heretofore recaptured, or recaptured during the current fiscal year, from section 8 project-based contracts from source years fiscal year 1975 through fiscal year 1987 are hereby permanently cancelled, and an amount of additional new budget authority, equivalent to the amount permanently cancelled is hereby appropriated, to remain available until expended, for the purposes set forth under this heading, in addition to amounts otherwise available.*

Note. --A full-year 2024 appropriation for this account was not enacted at the time the Budget was prepared; therefore, the Budget assumes this account is operating under the Continuing Appropriations Act, 2024 and Other Extensions Act (Division A of Public Law 118-15, as amended). The amounts included for 2024 reflect the annualized level provided by the continuing resolution.